

Date sent: **Mon, 6 Nov 2000 16:05:42 -0600 (CST)**
From: **jkasberg <jkasberg@bama.ua.edu>**
To: **Deborah Martin <dmartin@woodsquad.as.ua.edu>**
Copies to: **charris@bama.ua.edu, wcolumbu@bama.ua.edu**
Subject: **Re: questions regarding UA claims & avg costs**

Dear Ms Martin: This is John Kasberg responding to your request.

Based on Jan-Sept. 2000 UA health claims data for active UA employees with single and family coverage, I have compiled the following data that should address the two questions you asked.

1.a. Of 1,848 single health contracts, 1,791 had an average of 16 medical claims for a DR, hospital or Major Medical expense in the first nine months of 2000 at an average paid cost of \$82.31 per single medical claim. This projects to an average of 22 medical claims per year per single contract. This means about 98 out of every 100 single UA contracts had a medical claim in first nine months of 2000.

1. b. For these same 1,848 single contracts, 1,504 had an average of 12 Rx drug claims paid in first nine months of 2000 at an average cost of \$36.62 per Rx after the Rx drug copay was deducted. This projects to an average of 16 Rx drug claims per year per single UA health plan contract. This means 1,504 out of 1,848 single contracts or an average of 81 out of 100 had a Rx claim paid in first nine months of 2000.

2. For Family health contracts at UA in first nine months of 2000, we had:

2. a. Of 1,489 family contracts, all of these (100%) had an average of 38 medical claims each paid at an average cost of \$83.74 per claim in the first 9 months of 2000. This projects to an annual average of 51 medical claims per year per family health contract at UA.

For Rx drugs, the 1,489 family contracts each had an average of 23 Rx claims for first 9 months of 2000 at average cost of \$38.29 per Rx after the copays were deducted. This projects to an average of 31 Rxs per year per family health plan contract at UA.

In summary, over 98% of single contracts had some type of medical or Rx drug claim and 100% of the family contracts had a medical or Rx drug claim paid in the first nine months of 2000.